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1 September 1959

MEMORANDUM FOR: Acting Chief, Development Projects Division

SUBJECT: Budget Status and Program Approvals

1. The DPD budget for FY 1960 has now been approved for planning purposes. The intent of this memorandum is to make clear precisely what obligations and expenditures are now authorized and what further program approvals will be necessary. Three degrees of approval currently exist and will be referred to in this memorandum.

a. Certain parts of the DPD FY 1960 budget now have the status of approved programs. For these, obligations are now authorized.

b. Certain other parts of the budget still require formal program approvals.

c. Still other parts of the budget will achieve approved program status upon the submission of informal justifications and will not require the submission of formal program approval documents.

2. The following programs within the budget are approved and obligations and expenditures of funds may proceed. Further program approvals will be necessary only for amendments.

CHALICE Material (except foreign construction)

CHALICE Operations and Administration

GUSTO (but I desire to be informed when major contracts are let)

CORONA (but I desire to be informed when major contracts are let)

25X1

3. With respect to CHALICE Development, there appears nearly the purpose of which I have no clear knowledge. Therefore,

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 Program Approval  
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 CHALICE*

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I would request at a minimum a formal memorandum of justification before obligations are incurred. Formal program approvals are not necessary. I assume that many of these items are for miscellaneous activities work at Edwards AFB, but with the J-75 program completed, I hope you will exercise quite strict controls to avoid taking on marginal work and the attendant financial obligations.

4. As for Air Section Management, I request that each item here be submitted as a program approval request.

5. In the category of Supply and Special Research, I desire a program approval request for [redacted] undertaking [redacted]

25X1

6. In Air Section Management, I desire all activities concerning procurement and modification of C-119's to be grouped together as a single program and submitted under program approval procedures. All other items are approved, with the exception of [redacted] Spares and Equipment, on which I desire an informal memorandum giving justification.

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7. In Air Section Operations and Administration, the Items for Salaries, Travel and Allowances, Technical Services, Movement to and Miscellaneous are approved, but I request a memorandum of justification applying to the five Flying Cost Items.

25X1

8. I wish to remind you (and through you, the branch chiefs) that program approvals not only authorize the branch chief to obligate funds, but also requires him to monitor the rate of obligations so as to remain within the totals allocated for the year. I desire a review to be conducted periodically through the budget year, and I wish to receive prompt advice where specific programs or portions thereof appear to be exceeding their budgets.

RICHARD M. BIGGELI, JR.  
Deputy Director  
(Place)

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